

**A SUBSTITUTE ORDINANCE
BY FINANCE/ EXECUTIVE COMMITTEE**

07-O-1506

AN ORDINANCE AUTHORIZING THE CITY OF ATLANTA TO WAIVE THE PROVISIONS CONTAINED IN CHAPTER 2, ARTICLE X, DIVISION 14, SUBDIVISION II, SECTION 2-1547 OF THE CITY OF ATLANTA CODE OF ORDINANCES TO AUTHORIZE THE CHIEF PROCUREMENT OFFICER TO LEASE APPROXIMATELY 1,599 SQUARE FEET OF OFFICE SPACE AT CITY HALL EAST TO MORSBERGER GROUP, ON A MONTH-TO-MONTH BASIS FOR A PERIOD NOT TO EXCEED MAY 31, 2008, IN AN AMOUNT NOT TO EXCEED \$1,200.00 PER MONTH; TO AUTHORIZE THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH MORSBERGER GROUP FOR THE LEASE OF APPROXIMATELY 1,599 SQUARE FEET OF OFFICE SPACE AT CITY HALL EAST; ALL LEASE PAYMENTS SHALL BE DEPOSITED TO FUND ACCOUNT AND CENTER NUMBER 1A01 (GENERAL FUND) 462201 (BLDG. RENTALS) D45A01069999 (CITY HALL EAST); AND FOR OTHER PURPOSES.

WHEREAS, bond funds were secured for the purchase of land and the construction of the new Public Safety Headquarters, based on the contract for sale of City Hall East; and

WHEREAS, Morsberger Group is one of the lead investors in Ponce Park, LLC, the entity to which the City of Atlanta ("City") is selling City Hall East; and

WHEREAS, upon the sale of City Hall East, Ponce Park LLC, of which Morsberger Group is a member, plans to re-develop the property into a mixed-use development that will revitalize the neighborhood; and

WHEREAS, the City desires to lease approximately 1,599 square feet of office space to Morsberger Group in advance of the sale, on a month- to- month basis for a period not to exceed May 31, 2008, in order to facilitate architectural, engineering and other activities that will enable the property to be developed more quickly.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That the Mayor be and is hereby authorized to enter into a lease agreement with Morsberger Group, for the lease of approximately 1,599 square feet of office space at City Hall East, on a month- to- month basis for a period not to exceed May 31, 2008, in an amount not to exceed \$1,200.00 per month.

SECTION 2: That all lease payments shall be deposited to Fund Account and Center number 1A01 (General Fund) 462201 (Bldg. Rentals) D45A01069999 (City Hall East).

SECTION 3: That the agreement shall not become binding upon the City and the City will incur no obligation or liability under it until it has been approved by the City Attorney as to form, executed by the Mayor, and attested to by the Municipal Clerk.

SECTION 4: That Chapter 2, Article X, Division 14, Subdivision II, Section 2-1547 of the City of Atlanta Code of Ordinances is hereby waived to the extent that such applies to the lease.

SECTION 5: That all Ordinances and parts of Ordinances in conflict with this Ordinance are hereby waived for this instance only.

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WHEREAS, bond funds were secured for the purchase of land and the construction of the new Public Safety Headquarters, based on the contract for sale of City Hall East; and

WHEREAS, Morsberger Group is one of the lead investors in Ponce Park, LLC, the entity to which the City of Atlanta ("City") is selling City Hall East; and

WHEREAS, upon the sale of City Hall East, Ponce Park LLC, of which Morsberger Group is a member, plans to re-develop the property into a mixed-use development that will revitalize the neighborhood; and

WHEREAS, the City desires to lease approximately 3,000 square feet of office space to Morsberger Group in advance of the sale, on a month- to- month basis for a period not to exceed September 30, 2008, in order to facilitate architectural, engineering and other activities that will enable the property to be developed more quickly.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That the Mayor be and is hereby authorized to enter into a lease agreement with Morsberger Group, for the lease of approximately 3,000 square feet of office space at City Hall East, on a month- to- month basis for a period not to exceed September 30, 2008, in an amount equal to fair market rental value as determined by an appraisal.

SECTION 2: That all lease payments shall be deposited to Fund Account and Center number 1A01 (General Fund) 462201 (Bldg. Rentals) D45A01069999 (City Hall East).

SECTION 3: That the agreement shall not become binding upon the City and the City will incur no obligation or liability under it until it has been approved by the City Attorney as to form, executed by the Mayor, and attested to by the Municipal Clerk.

SECTION 4: That Chapter 2, Article X, Division 14, Subdivision II, Section 2-1547 of the City of Atlanta Code of Ordinances is hereby waived to the extent that such applies to the lease.

SECTION 5: That all Ordinances and parts of Ordinances in conflict with this Ordinance are hereby waived for this instance only.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/ Executive Committee

Caption: AN ORDINANCE AUTHORIZING THE CITY OF ATLANTA TO WAIVE THE PROVISIONS CONTAINED IN CHAPTER 2, ARTICLE X, DIVISION 14, SUBDIVISION II, SECTION 2-1547 OF THE CITY OF ATLANTA CODE OF ORDINANCES TO AUTHORIZE THE CHIEF PROCUREMENT OFFICER TO LEASE APPROXIMATELY 3,000 SQUARE FEET OF OFFICE SPACE AT CITY HALL EAST TO MORSEBERGER GROUP, ON A MONTH-TO-MONTH BASIS FOR A PERIOD NOT TO EXCEED SEPTEMBER 30, 2008, IN AN AMOUNT EQUAL TO FAIR MARKET RENTAL VALUE AS DETERMINED BY AN APPRAISAL; TO AUTHORIZE THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH MORSBERGER GROUP FOR THE LEASE OF APPROXIMATELY 3,000 SQUARE FEET OF OFFICE SPACE AT CITY HALL EAST; ALL LEASE PAYMENTS SHALL BE DEPOSITED TO FUND ACCOUNT AND CENTER NUMBER 1A01 (GENERAL FUND) 462201 (BLDG. RENTALS) D45A01069999 (CITY HALL EAST); AND FOR OTHER PURPOSES.

Council Meeting Date: August 20, 2007

Requesting Dept.: Mayor's Office

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to facilitate the sale and redevelopment of CHE. Morsberger Group is one of the key investors and developers of Ponce Park, LLC the entity to whom we are selling CHE. It is in the City's best interest to facilitate the sale and redevelopment of the building so as to be able to repay bonds and other expenses associated with the relocation of Public Safety and other departments out of CHE.

2. Please provide background information regarding this legislation.

3. If Applicable/Known:

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Lease agreement for office space

(b) **Source Selection:** N/A

(c) **Bids/Proposals Due:** N/A

(d) **Invitations Issued:** N/A

(e) **Number of Bids:** N/A

(f) **Proposals Received:** N/A

(g) **Bidders/Proponents:** N/A

(h) **Term of Contract:** N/A

4. **Fund Account Center:** 1A01 (General Fund) 462201 (Bldg. Rentals) D45A01069999 (City Hall East)

5. **Source of Funds:** *Example: Local Assistance Grant* N/A

6. **Fiscal Impact:** COA will receive revenues per the lease agreement

7. **Method of Cost Recovery:** N/A

This Legislative Request Form Was Prepared By: Mariama Tyler

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: _____

Contact Number: _____

Originating Department: Mayor's Office

Committee(s) of Purview: Finance/ Executive Committee

Chief of Staff Deadline: July 9, 2007

Anticipated Committee Meeting Date(s): July 31- August 1, 2007

Anticipated Full Council Date: August 20, 2007

Legislative Counsel's Signature: 

Commissioner Signature: _____

Chief Procurement Officer Signature: _____

CAPTION

AN ORDINANCE AUTHORIZING THE CITY OF ATLANTA TO WAIVE THE PROVISIONS CONTAINED IN CHAPTER 2, ARTICLE X, DIVISION 14, SUBDIVISION II, SECTION 2-1547 OF THE CITY OF ATLANTA CODE OF ORDINANCES TO AUTHORIZE THE CHIEF PROCUREMENT OFFICER TO LEASE APPROXIMATELY 3,000 SQUARE FEET OF OFFICE SPACE AT CITY HALL EAST TO MORSEBERGER GROUP, ON A MONTH-TO-MONTH BASIS FOR A PERIOD NOT TO EXCEED SEPTEMBER 30, 2008, IN AN AMOUNT EQUAL TO FAIR MARKET RENTAL VALUE AS DETERMINED BY AN APPRAISAL; TO AUTHORIZE THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH MORSBERGER GROUP FOR THE LEASE OF APPROXIMATELY 3,000 SQUARE FEET OF OFFICE SPACE AT CITY HALL EAST; ALL LEASE PAYMENTS SHALL BE DEPOSITED TO FUND ACCOUNT AND CENTER NUMBER 1A01 (GENERAL FUND) 462201 (BLDG. RENTALS) D45A01069999 (CITY HALL EAST); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any):

Mayor's Staff Only

Received by CPO: _____ (date) Received by LC from CPO: _____ (date)

Received by Mayor's Office: 7/12/07  Reviewed by: _____ (date)

Submitted to Council: _____ (date)

RCS# 1358
8/20/07
2:49 PM

Atlanta City Council

REGULAR SESSION

CONSENT II

REFER

YEAS: 11
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 5
EXCUSED: 0
ABSENT 0

Y Smith	Y Archibong	Y Moore	NV Mitchell
NV Hall	Y Fauver	Y Martin	NV Norwood
Y Young	Y Shook	Y Maddox	NV Willis
Y Winslow	Y Muller	Y Sheperd	NV Borders

CONSENT II